

GLAR Industries, Inc.

P.O. Box 1640

Eagle, Idaho 83616

March 12, 2010

Mayor Brad Holton
City of Greenleaf
20523 North Whittier Dr.
Greenleaf, Idaho 83626

RE: ICDBG Grant for Airpark Commercial lots, Greenleaf Air Ranch

Dear Mayor Holton,

This will confirm the commitment of GLAR Industries, Inc., to bring jobs to Greenleaf through development of 21 lots in the Greenleaf Air Ranch that was recently approved for Airpark Commercial zoning.

As we have proposed, our commitment is premised on a public-private partnership between Greenleaf and GLAR Industries, Inc. It begins with the City's commitment to obtain an ICDBG grant in the amount of \$500,000 to complete the needed infrastructure (city water, sewer collection lines, power, gas, phone, joint trench, pavement, curb, gutter, sidewalks, etc.) on Rosewood Place and Cottonwood Dr. With the City Council's action last night of voting to proceed with the Application, that aspect of our partnership is well underway.

It is imperative to note that without that grant in the full amount of \$500,000, our plan as described in this letter cannot proceed. The strategy for success in bringing jobs is to offer lot prices that are simply too good to pass up. To that end, GLAR Industries, Inc. will pass on the value of the grant funds to the end purchasers of the 21 Commercial lots in the form of lower prices.

In integral part of the partnership is the creation of the new Airpark Commercial zone and the rezone of the 21 lots in the Greenleaf Air Ranch as recently accomplished by your Planning and Zoning Commission and City Council. The

simultaneous commercial and residential use permitted within that zone will give the businesses that locate on those lots the ability to consolidate and further leverage the low lot prices by reducing their overhead. In addition, the unique administrative permit required for commercial uses in the Airpark Commercial zone will let the Airpark community shape its future; another feature which will draw desirable businesses to the Ranch.

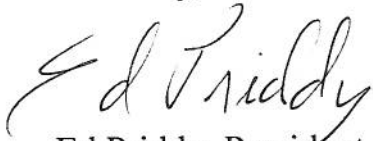
With the first steps completed, we look forward to the City's submission of the grant Application. If the requested grant is approved, GLAR Industries, Inc. will commit to the following actions:

1. Appendix 12 to the Application is a Job Creation Agreement which GLAR Industries, Inc., has entered into with the City of Greenleaf. By doing so GLAR Industries, Inc., has "backstopped" the obligation to ensure the creation of 20 jobs which would otherwise fall on the City of Greenleaf. The grant requires that 51% of the job created will be filled by or offered to low- and moderate-income households. GLAR Industries, Inc., will also work with other businesses that locate in the Greenleaf Air Ranch to ensure that requirement is fulfilled as the jobs are created.
2. In addition to the commitment to create jobs, GLAR Industries, Inc. will:
 - a. Pay the amount (projected at \$76,992) in excess of the \$500,000 grant required to complete the infrastructure referenced above.
 - b. Absorb the cost of services which GLAR has provided in assisting the City to create a concept for needed changes, amend its code to create the new Airpark Commercial zone, rezone the subject 21 lots to Airpark Commercial and prepare the Application for the ICDBG grant.
 - c. Fulfill our strategy of lot prices that are too good to pass up, pass on the value of the grant to the end purchasers in the form of lower lot prices.
 - d. Engage in marketing and assistance to the kind of desirable businesses that will enhance the airpark community and the broader Greenleaf community.
 - e. Engage with every business that locates on the subject 21 lots to ensure that the requirements of the grant are met; including encouraging them to provide health benefits and comply with Equal Employment Opportunity standards.

In our dealings with your City's leaders and staff and as set out in the details above, the principals of GLAR Industries, Inc. believe that our commitment to this project at the Greenleaf Air Ranch and to the City of Greenleaf has been amply demonstrated. As the Application sets out, our investment in the Ranch to date is almost \$7 million, including \$1,772,553 directly attributed to the 21 commercial lots. We are very excited about this project and are pleased that the people of Greenleaf have so overwhelmingly embraced it as well.

On behalf of GLAR Industries, Inc., thank you for giving us the opportunity to proceed with this historic public-private partnership. We stand ready to do all we can to ensure its success.

Sincerely,

A handwritten signature in cursive script that reads "Ed Priddy". The signature is fluid and stylized, with the first and last letters of each word being capitalized and prominent.

Ed Priddy, President
GLAR Industries, Inc.

GREENLEAF AIR RANCH, LLC
COMMERCIAL AREA CONSTRUCTION ESTIMATE

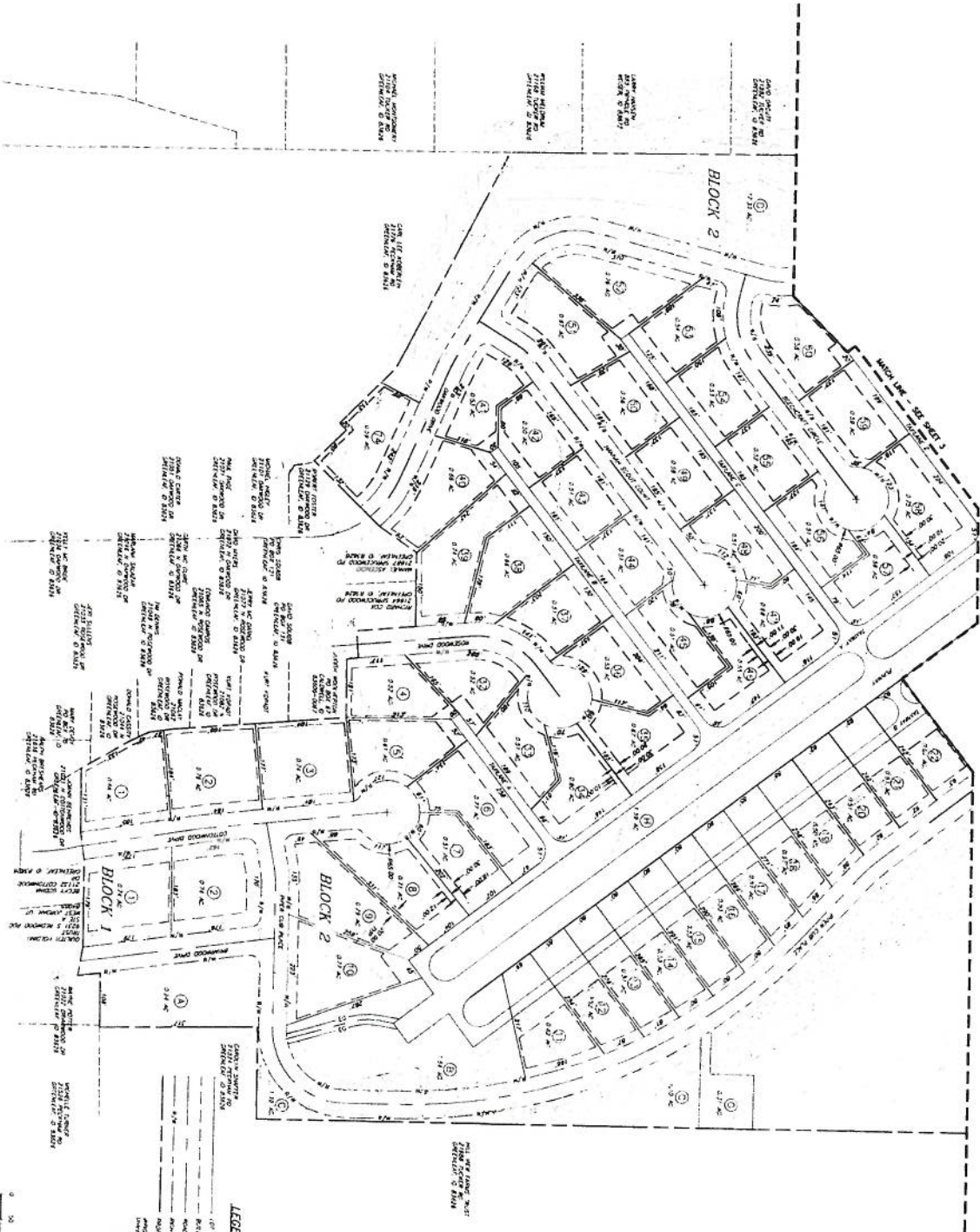
CONTRACTOR	CONTRACT ITEM	CONTRACT PRICE	ESTIMATE BASIS
PAVING AND CONCRETE	PAVING - ROSEWOOD	\$ 40,500	600LF x 30' wide x \$2.25/SF
	PAVING - COTTONWOOD	\$ 47,250	700LF x 30' wide x \$2.25/SF
	C&G, SIDEWALK - ROSEWOOD	\$ 24,000	1,200LF x \$20/LF
	C&G, SIDEWALK - COTTONWOOD	\$ 28,000	1,400LF x \$20/LF
	SUBTOTAL	\$ 139,750	(Prices based on previous bids and telephone conversation with Jeff Towner -2/22/10)
	5% INCREASE: DAVIS - BACON WAGES	\$ 6,988	(Increased based on estimate from Jeff Towner, Nampa Paving 3/5/10)
	PAVING AND CONCRETE TOTAL	\$ 146,738	
WET UTILITIES	SEWER - ROSEWOOD	\$ -	Completed
	SEWER - COTTONWOOD	\$ 24,000	800 LF X \$30/LF (Including Manholes)
	WATER - ROSEWOOD	\$ 3,000	10 Services x \$300/service
	WATER - COTTONWOOD	\$ 32,000	800 LF X \$40/LF (includes all services & hydrants)
	STORM - ROSEWOOD	\$ 4,500	150 LF x \$30/LF (includes catchbasins, manholes)
	STORM - COTTONWOOD	\$ 6,000	200 LF x \$30/LF (includes catchbasins, manholes)
	PI - ROSEWOOD	\$ 2,000	10 services x \$200/service
	PI - COTTONWOOD	\$ 16,400	12 services x \$200/service + 700LF x \$20/LF
	IRRIGATION PUMP STATION	\$ 69,977	
	SUBTOTAL	\$ 157,877	(Prices based on previous bids and telephone conversation with Tim Schellhorn - 2/22/10)
	25% INCREASE: DAVIS - BACON WAGES	\$ 39,469	(Increased based on estimate from Tim Schellhorn, Big Bite Ex. 3/5/10)
	WET UTILITIES TOTAL	\$ 197,346	
DRY UTILITIES	ON-SITE POWER - ROSEWOOD	\$ 30,000	(IPCo Estimate from 7/29/08)
	ON-SITE POWER - COTTONWOOD	\$ 45,000	(IPCo Quote from 7/9/08 - 13 residential lots- slightly larger than this commercial area)
	OFF-SITE 3-PHASE POWER (PUMP STATION)	\$ 60,000	(IPCo Quote from 7/9/08 - Commercial area will require less pavement patch than 1st phase - 1st phase quote = \$67,184)
	DRY UTILITIES TOTAL	\$ 135,000	
SUBTOTAL		\$ 479,084	
CONTINGENCY AMOUNT (10%)		\$ 47,908	
TOTAL ESTIMATED COSTS		\$ 526,992	

GREENLEAF AIR RANCH

**PROPOSED
COMMERCIAL
AREA**

W 1/16 S
SEC. 16
CP&F

GREENLEAF AIR RANCH - PRELIMINARY PLAT
 A PARCEL OF LAND SITUATED IN SECTION 16, TOWNSHIP 4 NORTH, RANGE 4
 WEST, BOISE MERIDIAN, CANYON COUNTY, IDAHO
 2008



**GREENLEAF AIR RANCH
 PRELIMINARY PLAT**

TOOTHMAN-ORTON ENGINEERING COMPANY

CONSULTING ENGINEERS, SURVEYORS AND PLANNERS
 524 CLEVELAND BOULEVARD, SUITE 227
 CALDWELL, IDAHO 83605-4080
 PHONE: (208) 795-5058
 FAX: (208) 795-5061

OFFICES IN:
 BOISE, IDAHO
 COEUR D'ALENE, IDAHO

REVISIONS		DATE	BY	CHECKED	APPROVED
NO.	DESCRIPTION				
1	PRELIMINARY PLAT				
2					
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Priddy Bros. BIO

Tri Cedars Management, LLC and GLAR Industries, Inc. are privately held real estate investment, development and land management companies. Tri Cedars Management, LLC and GLAR Industries, Inc. are well known for acquiring strategic properties and obtaining the critical entitlements to maximize property value and encourage excellence in development. The principals of these companies are John, Ed, and Mark Priddy. The Priddys are known for the high quality of their investment properties, excellence in their business ventures and uncompromising integrity in all of their projects.

The Priddys were co-founders of Boise based MarkMonitor, an enterprise software company and leading global provider of brand protection and domain services, serving "Fortune 1000" companies.

John and Ed also partner in Priddy Brothers, LLC (www.priddybrothers.com) an independent film production company which develops, produces and distributes independent films that explore with respect, grace and artistry the depth and breadth of the human experience. The company champions high-quality film projects created by self-energized, entrepreneurial filmmakers passionate about their art and its message.

John Priddy was President and co-owner of Richardson Labs. John helped to grow this company from a start-up to \$50+ million in annual sales and negotiated a highly successful merger with Rexall-Sundown, a public NASDAQ 100 company. John is also a former top executive for E&J Gallo Winery where he managed the national sales and distribution of Gallo Products. John has a B.A in Business from the University of Colorado and an M.A in Organizational Leadership from Fuller University. John lives in Boise, Idaho with his wife Terri and their four children.

Ed Priddy was Chief Operating Officer and co-owner of Richardson Labs, where he oversaw accounting, legal and regulatory issues, product production, manufacturing and packaging and raw materials purchasing. Ed helped to grow this company from a start-up to \$50+ million in annual sales and negotiated a highly successful merger with Rexall-Sundown, a public NASDAQ 100 company.

Before moving to Idaho, Ed was a corporate and private tax professional in Southern California, where he also served on the boards of several companies. Ed now resides in Eagle, Idaho. Ed has a degree in finance from the University of Colorado.

Mark Priddy was the Founder/CEO and co-owner of Richardson Labs where he developed one of the most successful niche vitamin companies in the United States. He oversaw new product development, research and marketing. Mark helped to grow this company from a start-up to \$50+ million in annual sales and negotiated a highly successful merger with Rexall-Sundown, a public NASDAQ 100 company.

Mark serves on the regional boards for the YMCA and Saint Alphonsus Hospital. Mark lives in Eagle, Idaho with his wife Jeanette and their six children.

Mark and his wife Jeanette are the founders of Rembrandt's Coffee House (www.rembrandtscoffeehouse.net). This 2007 Eagle Idaho "Business of the Year" endeavors to create an environment of community, belonging and hospitality. Rembrandt's Coffee House helps support The Landing Community Center (www.the-landing.org) and other neighborhood programs by donating money, time and resources to promote positive social change within the Eagle community and throughout the world.

Job Creation Agreement between City of Greenleaf and GLAR Industries, Inc.

Whereas, the city of Greenleaf is applying for an Idaho Community Development Block Grant which will provide public infrastructure from which GLAR Industries, Inc., will benefit.

Whereas, GLAR Industries has plans to create expansion of companies in the city of Greenleaf due to the award to the city of a grant that will increase or provide public infrastructure sufficient for the companies' needs and requirements.

Therefore, as a result of the grant assistance, the company certifies and agrees that by May 1, 2012, it and the other companies that benefit from the grant funds will create and/or retain a total of twenty net new FTE jobs as a direct result of the grant project and that of those jobs at least 51% will be held by LMI persons.

The company further agrees to abide by all the following conditions of this Agreement.

Definitions

- A. The city of Greenleaf, hereafter is known as the GRANTEE.
- B. GLAR Industries, Inc., hereafter is known as the COMPANY.
- C. Funding Source: The Idaho Community Development Block Grant (ICDBG) program is funded by the U.S. Department of Housing and Urban Development (HUD) and managed by the Idaho Department of Commerce (DEPARTMENT).
- D. Low and Moderate Income (LMI): Family median income standards are set by HUD at a county level and by family size. Families having income 80% or less of the median income are defined as moderate-income families. Families having income 50% or less are defined as low-income families. HUD prepares a family size and income table each year.
- E. LMI Person: A member of a LMI family.
- F. Full-Time Equivalent (FTE): Job creation must be calculated in FTE's. Part-time jobs must be aggregated into FTE's. Generally, employment of 2080 hours per a 12-month period or 30 hours or more a calendar week is considered to be full-time.

The Project

The GRANTEE agrees to provide the following public infrastructure to assist the COMPANY with its planned expansion in the community.

Construction of Pavement, gutter, curb and sidewalks, power, gas, phone and joint trench on Rosewood Place and Cottonwood Drive and city water and sewer service lines on Cottonwood Dr.

Job Creation/Retention

The COMPANY commits that by May 1, 2012, it and the other companies that benefit from the grant funds will create and/or retain a total of twenty net new FTE jobs above their current employment as established by the COMPANY and other benefited companies' payrolls of May 1, 2010, hereby incorporated into this agreement. Of these jobs, 51% will be held by LMI persons. The new jobs to be created (and/or retained) are identified in Attachment "A".

Claw-Back

Regardless of the number of new jobs created, the COMPANY agrees to reimburse the GRANTEE the entire amount of the grant if less than 51% of all new jobs created are filled by LMI persons.

The COMPANY agrees to reimburse the GRANTEE a pro rata dollar amount per job not created if the total number of new jobs created does not meet or exceed the number of jobs committed above. The dollars per job ratio is \$25,000, being the grant dollar to new job ratio contained in the full application.

The COMPANY agrees that the decision of the DEPARTMENT will be final in judging the level of job creation and the percentage of LMI persons hired.

Project Timetable

The COMPANY will report major milestones on the timetable listed below.

<u>DATE</u>	<u>ACTIVITY</u>	<u>DOCUMENTATION REQUIRED</u>
	Business Commitment	Executed Lease or Building Permit
	Employee / Job Verification	Existing Employee Job Listing
	Start of Business Construction	Notice to Proceed to Contractor
	Business Construction Complete	Certificate of Substantial Completion and Occupancy Permit
	Jobs Created and Retained	Employee Job Listing

Recordkeeping and Reports

The COMPANY will maintain evidence and documentation of the jobs to be created and/or retained and the persons hired to fill the new jobs and/or employed currently. The information will include the person's name, family income, sex, race, ethnicity, and handicapped status.

- A. To document at least 51% of the created jobs will be **held by** LMI persons, Attachment "A" must be incorporated into this agreement.
 - 1) If jobs are based on retention then additional documentation must include evidence the jobs would be lost in the absence of CDBG assistance.
- B. To prove that at least 51% of the jobs are held by LMI persons, the following information must be provided before project close-out:
 - 1) The completed income surveys of each employee hired during the project timeline. (The income survey must be in the format as designated by the Department).
 - 2) The employee job listing which identifies the employee, job title, LMI status before hire, full or part time position, wage, gender, and if provided by employee ethnic data.

3) Contact information for the businesses' human resource representative

C. This information will be maintained for four (4) years beyond the final date of completion of the job creation.

Monitoring Rights of Government Officials

The information and all records related to the job creation will be made available to the GRANTEE, the Idaho Department of Commerce, and federal officials from the U.S. Department of Housing and Urban Development.

The COMPANY upon request will allow the above officials access to the records during regular working hours. The COMPANY shall, upon request, allow for visual inspection of the company expansion and provide for interviews with employees to verify job creation.

Effectiveness

This agreement is effective from the time the full application is submitted to the DEPARTMENT and will remain in effect until the jobs are created and the grant is closed out by the DEPARTMENT. Closeout occurs after the DEPARTMENT determines the GRANTEE has complied with all grant conditions, regulations, and the COMPANY has created the jobs per this agreement.

This agreement is based upon the contract, rules, and regulations of the ICDBG program.

Signatures

I certify by my signature that I have the authority to commit GLAR Industries, Inc., to this Grant Assistance Agreement.

Signed: Ed Priddy Date: 3-15-10

Name and Title: Ed Priddy, President

I certify by my signature that I have the authority to commit the city of Greenleaf to this Grant Assistance Agreement.

Signed: Bradley Holton Date: 3/15/10

Name and Title: Bradley Holton Mayor

ATTACHMENT A

Proposed Jobs

Company Name: GLAR Industries, Inc.,

Job Title	Full or part time jobs	Hourly Wage or Salary	Special Skills or Education Required	On the Job Training to be Provided	No of People Required (FTE)	Approximate Date of Hire	Likely LMI Job Yes/No
Supervisor	F/T	30,000 \$15.00/hr	Industry experience	Yes	4	Beginning 6-1-2010	Yes
Line Worker	F/T	24,960 \$12/hr	None	Yes	12	Beginning 6-1-2010	Yes
Manager	F/T	41,600 \$20/hr	Industry experience	Yes	4	Beginning 6-1-2010	Yes